

**ASSEMBLY BILL**

**No. 396**

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**Introduced by Assembly Member Mitchell**

February 14, 2011

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An act to add Section 14053.8 to the Welfare and Institutions Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

AB 396, as introduced, Mitchell. Medi-Cal: juvenile detention facilities.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid provisions. Existing federal law, with certain exceptions, does not provide for payments with respect to care or services for any individual who is an inmate in a public institution. In conformity with that federal provision, existing state law suspends Medi-Cal benefits to an individual under 21 years of age who is an inmate of a public institution.

Existing law authorizes the Department of Corrections and Rehabilitation and the State Department of Health Care Services, to the extent that federal participation is not jeopardized and federal approval is obtained, to develop a process for the provision of inpatient hospital services to inmates who would otherwise be eligible for Medi-Cal, but for their institutional status as inmates. Existing law also permits, to the extent federal financial participation is available, the State Department of Health Care Services to provide Medi-Cal eligibility and reimbursement for inpatient hospital services to inmates, as defined.

This bill would additionally require the State Department of Health Care Services to develop a process to maximize federal financial participation for the health care services provided by counties to juveniles in their custody who would otherwise be eligible for Medi-Cal. The bill would require the department to consult with counties in the development of this process, and would require the department to seek all federal approvals necessary to implement the process. The bill would also limit application of this process to counties that elect to voluntarily provide the nonfederal share of expenditures for health care services, and would require that the federal financial participation associated with services provided pursuant to the process be paid to the participating counties. The bill would make related findings and declarations.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) Counties provide health care services to juvenile offenders
- 4 committed to their custody, including inpatient hospital services,
- 5 for which federal financial participation may be available.
- 6 (b) Current law provides that an individual under 21 years of
- 7 age who is an inmate of a public institution shall have his or her
- 8 Medi-Cal services suspended for up to one year.
- 9 (c) The eligibility procedures of the State Department of Health
- 10 Care Services currently do not allow the state to receive federal
- 11 financial participation for health care services provided to juveniles
- 12 in detention facilities whose Medi-Cal eligibility has been either
- 13 terminated or suspended, even though federal financial participation
- 14 may be available.
- 15 (d) Pursuant to Section 5072 of the Penal Code and Section
- 16 14053.7 of the Welfare and Institutions Code, the department is
- 17 authorized to develop a process to maximize federal financial
- 18 participation for inpatient hospital services to adult inmates residing
- 19 in a state prison facility.
- 20 (e) To reduce the fiscal strain on counties, it is imperative that
- 21 the department work with counties to develop and implement a
- 22 similar process to allow counties to obtain federal financial

1 participation based on county expenditures for inpatient hospital  
2 services provided to juveniles in their custody.

3 SEC. 2. Section 14053.8 is added to the Welfare and  
4 Institutions Code, to read:

5 14053.8. (a) Notwithstanding any other provision of law, the  
6 department shall develop a process to maximize federal financial  
7 participation for health care services provided by counties to  
8 juveniles who, but for being detained in a juvenile facility, are  
9 otherwise eligible for Medi-Cal pursuant to this chapter or under  
10 a Coverage Expansion and Enrollment Demonstration (CEED)  
11 project pursuant to Part 3.6 (commencing with Section 15909).  
12 This process shall be coordinated, to the extent possible, with the  
13 processes and procedures established pursuant to Section 14053.7  
14 of this code and Section 5072 of the Penal Code.

15 (b) The department shall consult with counties in the  
16 development of the process pursuant to this section.

17 (c) The department shall seek all federal approvals necessary  
18 to implement the process developed pursuant to this section.

19 (d) The process developed pursuant to this section shall be  
20 implemented in only those counties that elect to voluntarily provide  
21 the nonfederal share of expenditures for health care services to the  
22 juveniles described in subdivision (a).

23 (e) The federal financial participation associated with services  
24 provided pursuant to the process implemented under this section  
25 shall be paid to the participating counties.